

A portrait of Elizabeth I, Queen of England, wearing a large, ornate white lace ruff collar and a crown. The image is dimmed to serve as a background for the text.

# ELIZABETH'S EARLY CHALLENGES

HOME & ABROAD



Elizabeth couldn't do whatever she wanted, she might rule by divine right, but she needed money and support to rule successfully. **Inherited £300,000 in debt**

### How might Elizabeth raise money?



**Crown Lands**

This ordinary income =  
**£286,667** per year



**Parliament Subsidies  
(taxes)**



**Profits of Justice**

**Loans (sometimes  
forced from her nobles  
and never repaid)**

**Customs Duties**



# POOR HARVESTS, HIGH TAXES

- To cope with the financial problems she inherited, Elizabeth stopped government spending, collected all of her debts, raised taxes which upset everyone, rich and poor.
- As well as the debts, England had also suffered seriously bad harvests in previous years again pushing up the prices of basics such as bread, leading to hunger and anger. Luckily for Elizabeth there was a very good harvest in 1558, leading people to believe it was a sign from God that Elizabeth was here to save them.
- By 1585, Elizabeth had raised approximately £600,000, paying off Mary's debts, however this would all be spent on the pending war with Spain in 1588.

What were Elizabeth's main problems financially in 1558, and how did she deal with these problems?

# KEY ECONOMY KNOWLEDGE CHECK UP:

Elizabeth inherited debts of £300,000 from Mary

She brought in £286,000 a year

By 1585 she'd paid off the debt and saved £300,000

Years of bad harvests led to inflation and poverty

Wool Trade was crucial – 90% of all exports.

Collapse of Wool Trade in Europe would be a disaster (Dutch revolt, Philip II stopping English wool and Elizabeth's own 1 year trade embargo) – led to inflation and poverty

Wages stayed the same or fell adding to the inflation

Rents increased and were kept high, leading to problems for tenants

Government stopped spending as well as collecting in all debts

Debased the coins leading to living standards going down increasing poverty

Population increases – 2-4 million, London 50,000 people to 225,000 – pressure on resources led to further high prices, adding to the poverty

Turn this information into a Dual Coded mind map



CHALLENGES  
ABROAD:  
**FOREIGN AFFAIRS**

Europe  
1500



- Foreign policy was closely linked with the marriage and succession issue. Foreign Policy was a royal prerogative, Elizabeth looked to the Privy Council for advice.
- Elizabeth was fully aware she couldn't afford any wars and her population was far smaller than France and Spain and lacked the financial resources to maintain a standing army.
- England had a considerable Naval power and a local militia, but this was primarily defensive. England had shown it was incapable of conquering Scotland and holding on to Calais.

*Elizabeth's major concerns in Europe:*



What advice might you give Elizabeth regarding her foreign affairs at the start of her reign?

# WHAT DID EUROPE LOOK LIKE IN 1558?



# Overview of Europe in 1558

Copy this diagram into your book

**Scotland** and **France** were traditional allies (**Auld Alliance**), often war against France meant war against Scotland.

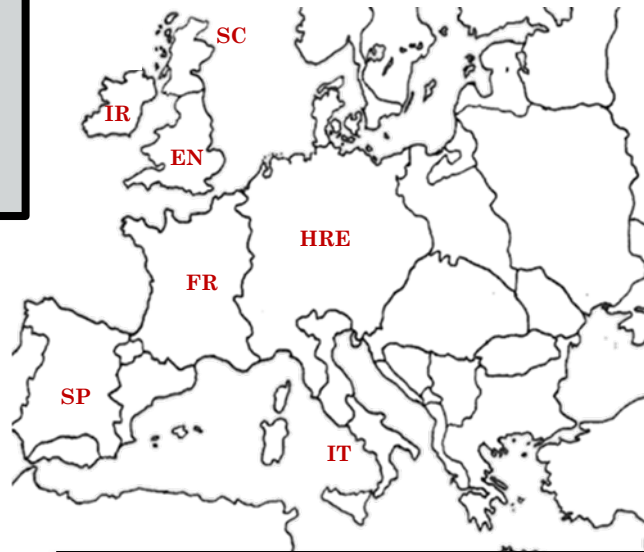
Improving relations with France would mean improved relations with Scotland.

Scotland could be a backdoor entrance to England

Elizabeth inherited a war with France and on good terms with Spain. This would change dramatically over the years.

Elizabeth wanted to take Calais back due to its trading opportunities

Relations with France generally improved and with Spain would get worse



The **Netherlands** were vital in England's trading interests. (**Antwerp**)

The rise of Protestantism in NL led some councillors to view NL as religious allies.

Elizabeth was fearful about English trade and supporting the Dutch Protestants as Spain took more control of the Netherlands

## **MOST IMPORTANT POINT:**

**France & Spain as enemies was good for England! Worst case scenario would be France & Spain joining forces...**



# France as an immediate concern:



Mary De Guise



Mary De Guise was the mother of Mary, Queen of Scots (Elizabeth's cousin and threat to her throne). France therefore supported her claim to the throne of England too.

Mary De Guise was currently ruling Scotland on her daughter's behalf.

What do you advise?